

ORIGINAL NEW APPLICATION



0000027965

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER – Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

2005 DEC 22 P 4:32

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE JOINT APPLICATION) DOCKET NOS. T-03887A-05-0909
OF ALLTEL COMMUNICATIONS, INC. AND) T-20436A-05-0909
ALLTEL HOLDING CORPORATE SERVICES,)
INC. FOR:)
1. APPROVAL OF TRANSFER OF)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO PROVIDE RESOLD LONG)
DISTANCE TELECOMMUNICATIONS)
SERVICE;)
2. APPROVAL OF TRANSFER OF ASSETS)
PURSUANT TO A.R.S. § 40-285;)
3. APPROVAL OF TERMINATION OF SERVICE)
UNDER A.A.C. R14-2-1107; AND)
4. APPROVAL OF LIMITED WAIVER OF THE)
SLAMMING RULES, A.A.C. R14-2-1901 ET SEQ.)

JOINT APPLICATION

Alltel Communication, Inc. ("ACI") and Alltel Holding Corporate Services, Inc. ("AHCSI"),
(collectively "Applicants"), respectfully request that the Arizona Corporation Commission
("Commission"):

- (i) approve the transfer of ACI's certificate of convenience and necessity ("CCN") to
provide resold long distance service to AHCSI;
- (ii) approve the transfer long distance resale customers from ACI to AHCSI;
- (iii) approve the termination of resold long distance service by ACI upon the transfer of
the CCN; and
- (iv) grant a limited waiver of the Commission's Slamming Rules, A.A.C. R14-2-1901 et
seq.

1 These approvals are sought in connection with Alltel Corporation's ("Alltel") spin off of its
2 wireline telecommunications business. ACI will remain a subsidiary of Alltel while AHCSI will
3 become a subsidiary of a separate publicly traded holding company, currently known as Valor
4 Communications Group. AHCSI's name will be changed before this transfer is effective; however,
5 the new name has not been determined as of the date of the filing of this application.

6 Presently, ACI provides resold long distance service to 5312 customers in Arizona. 3072 of
7 these customers are residential customers and 2240 of these customers are business customers. All
8 of ACI's Arizona customers are provided service on a month-to-month basis. All customers could
9 switch their long distance service to another carrier upon request without facing any early
10 termination penalties. ACI does not hold any customer deposits for its Arizona customers. ACI
11 bills customers only for the long distance services provided prior to the billing date and ACI holds
12 no prepayments from Arizona customers that would not be transferred to and honored by AHCSI.

13 After the effective date of the transfer, AHCSI will provide the same telecommunications
14 services to ACI's customers. The transfer is not expected to result in any loss or impairment of
15 service to any customers. Customers will continue to receive their existing telecommunications
16 services at the same rates, terms, and conditions and any future changes in rates, terms of conditions
17 of service will be made consistent with Commission's requirements. The only change apparent to
18 customers will be in the change of the name of the customers' service provider. Thus, from a
19 customer's point of view, the transfer will be transparent and the service will be seamless and
20 uninterrupted. Petitioners' requests are beneficial to the involved companies as well as the
21 customers of ACI. Approval will not in any way be detrimental to the public interest.

22 I. THE APPLICANTS.

23 A. Alltel Communications, Inc.

24 ACI is a privately held Delaware corporation with principal offices located at One Allied
25 Drive, Building 5, Little Rock, Arkansas. ACI holds an Arizona CCN to provide resold long
26 distance services. This CCN was granted by the ACC in an order which also approved the transfer
27

1 of assets from 360° Long Distance, Inc. to ACI. (*Alltel Corp.*, ACC Decision No. 63937, August 6,
2 2001).

3 **B. Alltel Holding Corporate Services, Inc.**

4 AHCSI is a newly formed wholly owned subsidiary of Alltel Corporation with principal
5 offices located on a temporary basis at One Allied Drive, Building 2, Little Rock, Arkansas. AHCSI
6 has been established by Alltel Corporation to enable it to separate out its long distance resale
7 business of ACI, as well as wireline local business of other companies that do not operate in
8 Arizona, into a separate publicly traded company. AHCSI will become a subsidiary of a separate
9 publicly traded holding company, currently known as Valor Communications Group. After the
10 separation into a separate holding company, the name of AHCSI will be changed to a name that is
11 presently being determined. A copy of AHCSI's Articles of Incorporation is attached as Exhibit A.
12 A list of officers and directors of AHCSI is attached as Exhibit B. AHCSI has filed to be certified
13 to transact business in Arizona. As noted above, AHCSI is requesting transfer of ACI's authority to
14 provide resold long distance service and to transfer all of ACI's customers to AHCSI.

15 **II. DESIGNATED CONTACTS.**

16 **A. Local Counsel:**

17 Michael W. Patten
18 Roshka DeWulf & Patten, PLC
19 One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

20 **B. ACI and AHCSI:**

21 Stephen Rowell
22 VP Wireline Legal
23 One Allied Drive
Little Rock, Arkansas 72212

24 **III. TRANSFER OF ACI's RESOLD LONG DISTANCE CCN TO AHCSI.**

25 In connection with the requested transfer of ACI's Resold Long Distance CCN to AHCSI,
26 AHCSI provides the following pertinent information consistent with the Commission's standard
27 form application for a resold long distance CCN:

1 A-1: AHCSI seeks the transfer of the ACI resold long distance CCN.

2 A-2: The general contact information for AHCSI is:

3 Alltel Holding Corporate Service, Inc.

4 Attention: Michael Gately

5 One Allied Drive, Little Rock, Arkansas 72202

6 A-3: At this point, there is no DBA for AHCSI. AHCSI will supplement this information
7 as appropriate.

8 A-4: Management Contact:

9 Ken Carter

10 Manager Wireline Customer Service

11 1720 Galleria Blvd

12 Charlotte, NC 28270

13 Wk: 704-845-7526

14 Fax: 704-849-5272

15 Ken.carter@alltel.com

16 A-5: Local Counsel:

17 Michael W. Patten

18 Roshka DeWulf & Patten, PLC

19 One Arizona Center

20 400 East Van Buren Street, Suite 800

21 Phoenix, Arizona 85004

22 A-6: Complaint Contact:

23 Action Line Center

24 1-800-222-6825

25 1720 Galleria Blvd

26 Charlotte, NC 28270

27 Fax: 704-849-5272

2nd Point of Contact :

Ken Carter

Manager Wireline Customer Service

1720 Galleria Blvd

Charlotte, NC 28270

Wk: 704-845-7526

Fax: 704-849-5272

Ken.carter@alltel.com

1 **A-7:** AHCSI is a C Corporation.

2 **A-8:** A certificate of good standing will be late-filed. AHCSI is presently wholly owned
3 by Alltel Corporation. The list of AHCSI officers and directors is attached as Exhibit B.

4 **A-9:** AHCSI will use the ACI tariff currently on file with the Commission but will refile
5 reflecting the new name.

6 **A-10:** AHCSI will provide resold long distance service statewide.

7 **A-11:** Neither AHCSI nor its officers or directors have been or are currently subject to any
8 formal or informal complaint proceedings before any state or federal regulatory agency.

9 **A-12:** Neither AHCSI nor its officers or directors have been or are currently involved in any
10 civil or criminal investigations, or have had judgments entered in any civil matter, judgments
11 levied by any administrative or regulatory agency or been convicted of any criminal acts
12 within the last ten years.

13 **A-13:** Not applicable. AHCSI only seeks resold long distance authority.

14 **A-14:** Applicant does not require deposits or prepayments for its service and does not
15 believe a performance bond is necessary.

16 **A-15:** Not applicable.

17 **A-16:** Applicant will provide an affidavit of publication after publication occurs.

18 **A-17:** Applicant resells long distance service provided by MCI and Sprint.

19 **A-18:** AHCSI is presently seeking authority in all states except Alaska.

20 **A-19:** Applicant does not currently offer resold long distance service in any state.

21 **A-20:** A subsidiary of AHCSI's current parent, ACI, holds a CCN to provide resold long
22 distance service, but ACI is requesting that its CCN be transferred in this docket.

23 **B-1/B-2:** Applicant does not have financial statements for the past two years because it is a
24 recently formed entity.

25 **B-3:** Applicant will rely on the financial resources of its parent company.

26 **B-4:** Applicant does not have an Arizona-specific estimate of its projected total revenues
27 and expenses for the first twelve months of operation. Applicant does not and will not have
any physical assets in Arizona during the first twelve months of operation. Therefore, the
value of its assets is zero.

1 **IV. TRANSFER OF CUSTOMERS.**

2 The proposed transfer of customers from ACI to AHCSI will have no adverse impact on
3 customers. After the effective date of the transfer, AHCSI will provide the same resold long
4 distance telecommunication services to former customers of ACI. Customers will continue to
5 receive their existing services at the same rates, terms, and conditions and any future changes in the
6 rates, terms and conditions will be made consistent with Commission's requirements. To ensure a
7 seamless transaction and avoid customer confusion or inconvenience, Petitioners will provide
8 advance written notice to the affected customers at least thirty (30) days prior to the transfer,
9 explaining the change in service provider and their right to select another carrier if they so chose, in
10 accordance with the applicable Federal Communications Commission rules. As copy of the
11 notification letter that will be sent to the affected customers is appended hereto as Exhibit C.

12 **V. DISCONTINUANCE OF SERVICE PURSUANT TO RULE 1107.**

13 ACI requests that its resold long distance CCN be transferred to AHCSI. In connection with
14 that request, ACI seeks to discontinue its long distance service in Arizona. Therefore, in accordance
15 with A.A.C. R14-2-1107, ACI provides the following information:

- 16 a. ACI seeks discontinuance because it is transferring its CCN and customers to AHCSI.
- 17 b. ACI will notify its customers of the discontinuance through the letter attached as Exhibit
- 18 C. Unless they elect to change carriers after receipt of the notice, customers will be
- 19 transferred to AHCSI and will continue to receive resold long distance service at the
- 20 same rates, terms and conditions as they presently receive. All customers are on month-
- 21 to-month service arrangements and can transfer to any other long distance carrier upon
- 22 request. Numerous other providers operate in Arizona.
- 23 c. ACI holds no deposits or prepayments. AHCSI will honor any existing ACI prepaid
- 24 calling cards.
- 25 d. Numerous other providers offer long distance service in Arizona, including ATT and
- 26 MCI (now Verizon).
- 27

1 **VI. LIMITED WAIVER OF ARIZONA SLAMMING RULES**

2 Applicants seek a limited waiver of the Commission's Slamming Rules in connection with
3 the transfer of ACI's Arizona subscriber base to AHCSI. ACI and AHCSI will comply with the
4 FCC's slamming rules regarding transfer of the subscriber base by providing notice to the FCC and
5 to customers. See 47 C.F.R. §64.1120(e). Applicants seek assurance that each transfer of an ACI
6 customer to AHCSI is not an "unauthorized change" of a telecommunications provider under the
7 Arizona Slamming Rules. The Commission has granted such waivers in similar contexts. See *SBC*
8 *Telecom, Inc.*, Decision No. 67827 (May 5, 2005); *XO Arizona, Inc.*, Decision No. 67460 (January
9 4, 2005). Such a waiver is particularly appropriate given that the exact same rates, terms and
10 conditions will be offered by the new provider.

11 **VII. PUBLIC INTEREST ANALYSIS.**

12 Granting this Application will serve the public interest, convenience, and necessity. The
13 proposed transfer will serve to create a heightened level of operating efficiency which generally will
14 serve to enhance the overall capacity of AHCSI to compete in the marketplace and to provide
15 telecommunication services to consumers in this state at competitive rates. Petitioners anticipate
16 that customers will experience a seamless transition of service providers. Further, these customers
17 will be sufficiently notified of the transfer and their rights.

18 **VIII. CONCLUSION.**

19 For the reasons stated herein, Applicants request that the Commission enter an order:

- 20 1. Granting this Application;
- 21 2. Transferring ACI's resold long distance CCN to AHCSI;
- 22 3. Approving the transfer of ACI's customers to AHCSI;
- 23 4. Approving the discontinuance of ACI's resold long distance service in Arizona under
24 A.A.C. R14-2-1107.
- 25 5. Granting a limited waiver of the Commission's Slamming Rules, A.A.C R14-2-1901 et
26 seq.
- 27 6. Finding that the transaction described herein is in the public interest;

7. Granting any other approvals necessary to consummate the transaction described herein;

and

8. Granting such other and further relief as the Commission deems appropriate.

RESPECTFULLY SUBMITTED this 22nd day of December 2005.

ROSHKA DEWULF & PATTEN, PLC

By

Michael W. Patten

One Arizona Center

400 East Van Buren Street, Suite 800

Phoenix, Arizona 85004

Attorneys for Applicants

Original and 15 copies of the foregoing
filed this **22nd** day of December 2005 with:

**Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007**

Original and 15 copies of the foregoing
hand-delivered this 22 day of
December 2005 to:

Lyn A. Farmer, Esq.
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Christopher C. Kempley, Esq.
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By

8

EXHIBIT

"A"

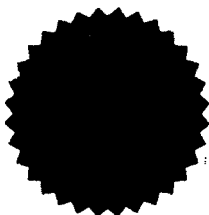
Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "ALLTEL HOLDING CORPORATE SERVICES, INC.", FILED IN THIS OFFICE ON THE SECOND DAY OF NOVEMBER, A.D. 2005, AT 5:23 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

4055100 8100

AUTHENTICATION: 4271488

050897347

DATE: 11-02-05

State of Delaware
Secretary of State
Division of Corporations
Delivered 05:23 PM 11/02/2005
FILED 05:23 PM 11/02/2005
SRV 050897347 - 4055100 FILE

CERTIFICATE OF INCORPORATION

OF

ALLTEL HOLDING CORPORATE SERVICES, INC.

FIRST: The name of the Corporation is Alltel Holding Corporate Services, Inc. (hereinafter the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at that address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware as set forth in Title 8 of the Delaware Code (the "GCL").

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 1,000 shares of Common Stock, each having a par value of \$.01.

FIFTH: The name and mailing address of the Sole Incorporator is as follows:

<u>Name</u>	<u>Address</u>
Tracey L. Lewis	P.O. Box 636 Wilmington, DE 19899

SIXTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

- (1) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.
- (2) The directors shall have concurrent power with the stockholders to make, alter, amend, change, add to or repeal the By-Laws of the Corporation.

(3) The number of directors of the Corporation shall be as from time to time fixed by, or in the manner provided in, the By-Laws of the Corporation. Election of directors need not be by written ballot unless the By-Laws so provide.

(4) No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal or modification of this Article SIXTH by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

(5) In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the GCL, this Certificate of Incorporation, and any By-Laws adopted by the stockholders; provided, however, that no By-Laws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such By-Laws had not been adopted.

SEVENTH: The Corporation shall indemnify its directors and officers to the fullest extent authorized or permitted by law, as now or hereafter in effect, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors. The right to indemnification conferred by this Article SEVENTH shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition.

The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article SEVENTH to directors and officers of the Corporation.

The rights to indemnification and to the advance of expenses conferred in this Article SEVENTH shall not be exclusive of any other right which any person may have or hereafter acquire under this Certificate of Incorporation, the By-Laws of the Corporation, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Any repeal or modification of this Article SEVENTH by the stockholders of the Corporation shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the By-Laws may provide. The books of the Corporation may be kept (subject to any provision contained in the GCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-Laws of the Corporation.

NINTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

[SIGNATURE PAGE FOLLOWS]

I, THE UNDERSIGNED, being the Sole Incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the GCL, do make this Certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 2nd day of November, 2005.

Tracey L. Lewis

Tracey L. Lewis
Sole Incorporator

EXHIBIT

"B"

MANAGEMENT BIOGRAPHIES

BOARD OF DIRECTORS

Francis X. "Skip" Frantz - Chairman

One Allied Drive
Little Rock, AR
501-905-8111

Francis X. "Skip" Frantz, Executive Vice President - General Counsel and Secretary of Alltel Corporation, has been named Chairman of the Board of the new wireline company to be formed through the spin-off of Alltel's wireline business and merger with VALOR Communications group of Irving, Texas.

Frantz joined Alltel in 1990 as Senior Vice President and General Counsel and was appointed Corporate Secretary in January 1992 and Executive Vice President in 1998. He is responsible for the wireline wholesale services group, federal and state government and external affairs, corporate communications, administrative services and corporate governance.

Prior to joining Alltel, he was a partner in the law firm of Thompson, Hine and Flory, where he represented Alltel in connection with various business transactions and corporate matters for the last several years of his 12-year tenure with that firm.

Mr. Frantz is the 2005-2006 Chairman of the Board and of the Executive Committee of the USTelecom, a telecom trade association that represents 1,200 member companies. During his association with USTelecom, he has served as First Vice Chairman and as a member of the Executive Committee, Nominating Committee and Telecom Reform Task Force Committee.

Dennis E. Foster - Director

600 The Grange Lane
Lexington, Kentucky 40511
859 294 7663

Mr. Foster is currently the Principal in Foster Thoroughbred Investments. Prior to June 30, 2000, he was Vice Chairman of the Board of Alltel; Director of Yellow Corp. and NiSource Inc. He was initially elected as a Director of Alltel in 1998 and during his tenure was Chairman of the Compensation Committee and member of the Executive Committee. Prior to joining the Alltel Board, Mr. Foster was the president of 360 Communications.

Jeffery R. Gardner - Director

One Allied Drive
Little Rock, AR

501-905-8707

Jeffery Gardner, is currently the Executive Vice President and Chief Financial Officer of Alltel Corporation. In addition to becoming a member of the board of the new wireline company, he has been named President and Chief Executive Officer.

Gardner has been in the communications industry since 1986 and joined Alltel in 1998 when the company merged with 360 Communications

He has held a variety of senior management positions such as Senior Vice President of Finance, which included treasury, accounting and capital markets; President of the Mid-Atlantic Region; Vice President and General Manager of Las Vegas and Director of Finance.

Gardner is a member of the Board of Directors for RF Micro Devices, based in Greensboro, N.C., where he serves on the audit committee. He also serves on the board of the Arkansas Symphony Orchestra, the Arthritis Foundation and Pulaski Academy School in Little Rock.

Gardner received his Bachelor of Science degree in Finance from Purdue University and a Master's degree in Business Administration from William and Mary. He is a Certified Public Accountant.

OFFICERS

Francis X Frantz - Chairman

(See biography above)

Jeffery R. Gardner - President and Chief Executive Officer

(See biography above)

John B. Koch - Chief Operating Officer

One Allied Drive
Little Rock, AR
501-905-8981

John Koch , President - Wireline Services, has been named Chief Operating Officer of the new wireline company to be formed through the spin-off of Alltel's wireline business and merger with VALOR Communications Group of Irving, Texas.

Since joining Alltel in 1998 when the company merged with 360 Communications, Koch has held a variety of management positions such as president - Southeast Region, Executive Vice President of Marketing and Emerging Business and Executive Vice President of Network Services.

Koch previously was with Sprint Cellular, Centel Cellular and has worked as a consultant for the Analytic Sciences Corporation (TASC).

Koch received his Bachelor of Science degree and Master's degree in systems engineering from the University of Virginia.

Brent Whittington - Executive Vice President and Chief Financial Officer

One Allied Drive
Little Rock, AR
501-905-6558

Brent Whittington, Senior Vice President - Operations Support of Alltel Communications, Inc., has been named Executive Vice President and Chief Financial Officer of the new wireline company.

Whittington joined Alltel in 2002. He also served as Vice President - Finance & Accounting.

Prior to joining Alltel, Whittington was an Audit Manager for Arthur Anderson.

He has a degree in accounting from the University of Arkansas in Little Rock.

Whittington is active in his community. He currently serves on the board of Big Brothers and Big Sisters of Central Arkansas

**Rob Clancy - Senior Vice President and
Treasurer**
One Allied Drive
Little Rock, AR

Rob Clancy, Vice President - Investor Relations of Alltel, has been named Senior Vice President and Treasurer of the new wireline company. Clancy also will lead the new wireline company's investor relations and corporate communications efforts.

Clancy has been in the communications industry since 1987 and joined Alltel in 1998 when the company merged with 360 Communications.

He has held a variety of management positions throughout his tenure including Vice President of Sales and Distribution, Vice President of Internal Audit, Vice President of Finance, Vice President and General Manager for the Central North Carolina Market, and Southeast Region Marketing Director.

Clancy has a degree in accounting from Northern Illinois University in Dekalb. He is a Certified Public Accountant.

Frank A. Schueneman - Senior Vice President Network Operations
One Allied Drive
Little Rock, AR
501-905-8482

As Vice President - Engineering for Alltel, Schueneman is responsible for design and implementation of Alltel's wireless and wireline networks including switching, transport, RF and data. He will be Senior Vice President Network Operations for the new wireline company.

Before being named to his current position, Schueneman was responsible for the operation of wireless networks in Alltel's West Region which included the operation and maintenance of wireless switching systems and cell sites, wireless system performance and optimization, and cell site project engineering and construction. Other duties included regional capital budget management and wireline outside plant engineering and construction.

Schueneman has served more than 25 years with Alltel where he has a broad technical background that includes planning, engineering and operation of wireless, wireline, long distance and data networks. Schueneman attended the University of Akron where he received a Bachelor of Science degree in Electronic Technology.

Daniel A. Powell - Area President

130 West New Circle Road
Lexington, KY
859-357-6101

Dan Powell is responsible for the day to day operations for ALLTEL's wireline and CLEC operations in Nebraska, Kentucky, Ohio, Pennsylvania and New York. Powell will continue in this role for the new wireline company.

Powell joined Alltel in 1993 and has held a variety of operations and corporate positions including Vice President and General Manager of the Virginia Market Area, Vice President of Marketing, Manager of Corporate Strategy and Vice President of Investor Relations.

Most recently, he has served as Area President for wireline services for Arkansas, Missouri, Nebraska, Oklahoma and Texas. He has also served as Market Area President for New York, North Carolina, Pennsylvania, Tennessee, Virginia and West Virginia where he was responsible for wireless, wireline, CLEC, long distance, DSL and broadband communications.

Prior to joining the company, Powell was with Andersen Consulting. Powell is a graduate of Albion College in Albion, Mich., with a Bachelor's degree in Economics and Management. Powell also holds a Master's degree in Business Administration from the University of Michigan.

Gregg L. Richey - Area President

One Alltel Center
Alpharetta, GA
678-351-2050

Richey is responsible for the day to day operations for Alltel's wireline and CLEC operations in Arkansas, Alabama, Georgia, Florida, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina and Texas. Richey will continue in this role for the new wireline company.

Richey joined Alltel in 1991 as General Manager of Alltel's Gainesville, Fla., market. Prior to his current position, Richey has served as Senior Vice President - Sales and Distribution for Alltel Communications, President of Alltel's Mid-South Market, and Vice President and General Manager for the company's Florida, Georgia, and Alabama wireless operations. In 1994, he won Alltel's ALEX Award for helping the Gainesville, Fla., market achieve Market of the Year status.

Richey holds a Bachelor's Degree in computer science from the University of Mississippi in Oxford. He currently serves on the Board of Directors for the Georgia Chamber of Commerce.

EXHIBIT

"C"

AHCSI
One Allied Drive
Little Rock, AR 72202

June __, 200__

NAME
ADDRESS 1
ADDRESS 2
CITY, STATE ZIP

**IMPORTANT:
NOTICE OF CHANGE IN LONG DISTANCE SERVICE PROVIDER**

Dear NAME:

Alltel Holding Corporate Services, Inc (AHCSI) soon will succeed Alltel Communications as your long distance service provider. AHCSI is excited about this chance to provide you service, and we look forward to serving you beginning [EFFECTIVE DATE].

Rest assured there will be no change in your current rates or in the terms and conditions of your service. Also, there will be no charges associated with transitioning your long distance service to AHCSI.

You have the right to choose your long distance provider and are free to choose another carrier for your long distance service. If you choose to select another carrier, you need to contact that carrier immediately to ensure that your services are transferred before [EFFECTIVE DATE]. You may have to pay a transfer charge to the new carrier if you change carriers.

As a customer of Alltel Communications, Inc., you will be transferred automatically to AHCSI, unless you select another long distance carrier before [EFFECTIVE DATE]. If you have a PIC freeze on your account, you will need to contact your local telephone company to arrange a new PIC freeze after your long distance service is transferred to your new provider.

Customer service is the foundation of our business. Please let us know how we can work with you to meet your needs. If you have questions about the transition of your long distance service to AHCSI, please contact us at 1-800-222-6825.

Please watch for upcoming communications from AHCSI. Thank you for letting us serve you!

Sincerely,